## CHEM-NUCLEAR SYSTEMS, INC. SERVICE AND EQUIPMENT CONTRACT GENERAL TERMS AND CONDITIONS

This CONTRACT made this 20th day of November, 1985, by and between Chem-Nuclear Systems, Inc. ("CNSI") and Union Carbide Corporation and all of its wholly owned subsidiaries ("Company"),

#### **BACKGROUND**

CNSI is engaged in the business of providing a variety of Services and Equipment for radioactive waste management and nuclear facility support. Company, in anticipation of its needs for these Services and Equipment, wishes to enter into this Contract with CNSI to establish the terms and conditions by which CNSI and Company will be obligated with respect to each other when the Equipment and Services are needed and by which CNSI may quickly commence performance. Therefore, in consideration of their mutual promises, The Parties agree as follows:

#### Section 1. Definitions

- 1.1 Unless defined here or elsewhere in this Contract, terms used will have the customary meanings used by the nuclear industry.
- 1.2 <u>Waste</u>: Waste means substances conforming in isotopic composition to the criteria for disposal at a licensed low-level radioactive waste burial site and intended for disposal.
- 1.3 Radioactive Material: Radioactive Material means material that is radioactive or contaminated but is not Waste.
- 1.4 Services: Services means the work to be done by CNSI as described in the Sections entitled Responsibilities of the Parties in the Exhibits to these General Terms and Conditions.
- 1.5 Equipment: Equipment means the tools, supplies, and capital equipment used by CNSI or provided to Company in the performance of the Services.
- 1.6 Proprietary Information: Proprietary Information means information that is claimed as proprietary by the disclosing Party ("Owner") who has a reasonable belief based on the confidential nature of the information that the disclosing Party may prevent the other Party ("Holder") from disclosing it to third parties.

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#### Section 2. Contract Exhibits

- 2.1 Each type of Service and Equipment has a separate Contract Exhibit containing the Exhibit responsibilities, specific terms and conditions, and pricing. These General Terms and Conditions incorporate the initialed and dated Contract Exhibits attached, except Exhibit V, which altogether constitute the Contract. If a conflict exists between the provisions of these General Terms and Conditions and those in a Contract Exhibit, those in the Exhibit control. The terms and conditions of Exhibit V are separate from those of any other Exhibits and these General Terms and Conditions.
- 2.2 If Company wishes to use its Purchase Order for billing Services and Equipment, that Purchase Order must state the following:

Contract No. N-85-060 between CNSI and Company governs this Purchase Order. This Purchase Order is for billing purposes only; any conflicting or additional terms and conditions that are contained herein are without effect unless expressly approved by CNSI.

## Section 3. Payment

3.1	Term of payment unless specified the net amount due within thirty	otherwise (30) days	in a Con of recei	tract pt of	Exhibit is invoice.
	Invoices must be mailed to:				
				•	
	Attention		· · · · · · · · · · · · · · · · · · ·	•	

- 3.2 A service charge of 1 1/2% per month on the unpaid balance will be added to the net amount of invoices not paid when due.
- 3.3 If there is an increase in cost that is beyond CNSI's control, the increase will be passed on to the Customer on thirty (30) days' notice. CNSI may increase its prices on the anniversary of the effective date of this contract.
- 3.4 Pricing in the Exhibits is based on the Service. Any changes to the Service may result in an adjustment in prices to Company based on such factors as delays, increased labor, increased materials, administrative expenses, additional permits, etc.
- 3.5 All equipment provided to Company and not for immediate use by CNSI in conjunction with Services is sold FOB Barnwell. Such equipment is subject to South Carolina sales or use taxes unless Company is exempt from such taxes and provides to CNSI an exemption certificate to that effect.

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## Section 4. Confidentiality

- 4.1 The Holder must keep Proprietary Information in confidence and not disclose it to any third Party.
- 4.2 If the Holder is required to disclose the Proprietary Information to a third Party, the Holder must first notify the Owner who may then disclose or allow disclosure of the Proprietary Information to the third Party, if it is reasonable to do so under the circumstances.
- 4.3 When Proprietary Information contained in documents provided by Owner is no longer needed or the Owner demands its return, it must immediately be returned. The obligation to keep the Proprietary Information in confidence ends five (5) years after the termination of this Contract.
- 4.4 This Contract is the Proprietary Information of both CNSI and Company.

## Section 5. Termination

- 5.1 This Contract will continue in effect unless terminated in one of the ways specified below.
- 5.2 Either party may terminate this Contract on an anniversary of its effective date without termination charges by giving at least sixty (60) days' written notice.
- 5.3 Either party may terminate this Contract or an Exhibit at any time for convenience by giving at least thirty (30) days' written notice. If Company so terminates, it must pay CNSI for Services and Equipment provided plus reasonable expenses incurred as a result of termination.
- 5.4 If a party breaches the terms and conditions of this Contract or an Exhibit and fails to cure such breach within thirty (30) days after receiving notice of such breach, the nonbreaching party may terminate this Contract or Exhibit, respectively. Failure to terminate does not operate as a waiver of the nonbreaching party's right to terminate on subsequent breaches. Liability for breach of warranty is set forth in Section 6. In all other cases, the breaching party's liability is limited to direct damages.
- 5.5 If circumstances arise beyond the reasonable control of either party that prevents the Services and Equipment of a Contract Exhibit from being provided or removes the need for such Services and Equipment, such as acts of government, embargos, strikes, acts of God, etc., the affected Contract shall be terminated without liability to either party effective on the occurrence of the circumstances. Notice of termination shall be given as soon as practical.

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## Section 6. Warranty

- 6.1 The following warranties apply generally to Services and Equipment.

  Specific Warranties may be stated in the Contract Exhibits.
- 6.2 CNSI warrants that it will perform Services provided under this Contract properly, that is, in a manner consistent with sound, prudent commercial nuclear industry practice. Services improperly performed will be reperformed at no additional charge if, in CNSI's opinion, reperformance would remedy improper performance. If proper performance in CNSI's opinion cannot be obtained, CNSI will refund 100% of payments made to it for the portion of the service that was improperly performed.
- 6.3 CNSI warrants that Equipment provided under this Contract will be free from defects in material and workmanship and reasonably fit for the purposes for which intended for a period of ninety (90) days from delivery. CNSI will repair or replace at its option defective Equipment.
- 6.4 Company's remedies for breach of warranty are strictly, exclusively and expressly limited to those stated in subsections 6.2 and 6.3 above and in the Contract Exhibits; THESE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CNSI WILL NOT BE LIABLE TO COMPANY FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING FROM PERFORMANCE OF OR NON-PERFORMANCE OF THIS CONTRACT OR THE RESULTS OF A NUCLEAR INCIDENT.

## Section 7. Liability

- 7.1 CNSI must maintain insurance of the following types:
  - a. Workman's Compensation Statutory Limits.
  - b. Employers' Liability Coverage At least \$500,000.
  - c. Comprehensive General Liability At least \$500,000 combined single limit bodily injury and property damage.
  - d. Automobile Bodily Injury and Property Damage (Covering CNSI's vehicles used in connection with Services and Equipment provided under this Contract) At least \$1,000,000 combined single limit bodily injury and property damage.
  - e. Nuclear Liability Insurance, Barnwell, S.C. Disposal Site (Facility Form) At least \$3,000,000.
  - f. Nuclear Liability Insurance (Suppliers and Transporters Form) At least \$3,000,000.
- 7.2 Company must maintain insurance as specified in Attachment I.

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#### Section 8. Miscellaneous

8.1 This Contract is to be governed by the laws of South Carolina.

- 8.2 The provisions of this Contract express the entire agreement of the parties. Any prior or contemporaneous understanding, promise, warranty, or condition has no effect.
- 8.3 If a provision of this Contract or an exhibit is held to be invalid, either party may suspend performance on the Contract of Exhibit, respectively, pending good faith renegotiation of the invalid provision. If neither party exercises such option, the remainder of the Contract will continue in effect.
- 8.4 This Contract will enure to the benefit of and be binding on the Parties' successors and assigns. Company must not assign this Contract or any portion of it without prior written consent of CNSI.
- 8.5 CNSI complies with Title VII of the Civil Rights Act of 1964, Section 503 of the Rehabilitation Act of 1973, Section 402 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, the amendments to these acts, Executive Order 11246, and the regulations issued thereunder.
- 8.6 Indemnification provision per Attachment II attached hereto.

To show their agreement to the terms and conditions of the Contract, the Parties have authorized their representatives to sign their names below.

CHEM-NUCLEAR SYSTEMS, INC. (CNSI)		UNION CARBIDE CORPORATION (Company)		
By:		By: John		
	Stash Zdanuk	VS / · · · · · ·		
TITLE:	Marketing Representative	TITLE: puck my Afen		
DATE:	November 20, 1985	DATE: 12/31/35		

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## ATTACHMENT I - NUCLEAR FACILITY (Other than a Reactor)

Company must maintain insurance of the following types:

- A. Workman's Compensation Statutory Limits.
- B. Employers' Liability Coverage At least \$500,000.
- C. Comprehensive General Liability At least \$500,000 combined single limit bodily injury and property damage.

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#### EXHIBIT

#### BROKERAGE AND PACKAGING SERVICE

#### I. SCOPE:

CNSI will provide a Broker\* to inspect, survey, package, classify, mark, label and complete all necessary shipping documents to ensure compliance with all applicable local, state, federal and disposal site regulations for the packaging, transportation and disposal of Company's radioactive waste.

\* An employee of CNSI, expert in the area of State and Federal regulations pertaining to packaging, transportation and disposal of radioactive materials.

#### II. RESPONSIBILITIES:

- A. CNSI shall provide:
  - 1. Procedures for the packaging of Company's radioactive waste.
  - 2. Approproate liners and/or qualified packages as needed for the packaging of the radioactive material.
  - 3. Assistance to Company in obtaining necessary permits.
  - 4. Arrangements for common carrier transportation.
  - 5. Radiation detection instruments and protective clothing.
  - 6. Documents and material as mutually agreed between CNSI and Company in support of the services offered.

#### B. Company shall provide:

- Adequate work space for: the packaging of waste, storage of the packaged material, liners and packages, loading/unloading of shipping containers and/or transportation equipment; administrative work area; and personnel hygiene area.
- Operators and the material handling capablility for: the loading of the packaged material into/on the shipping equipment; banding equipment, pallets, etc., to prepare packaged waste.
- 3. Materials and equipment required by CNSI to package waste.

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4.	The name of the Comp	any employee designat	ted to be responsible for
			between CNSI and the
	Company.		

Name	
Department	Room No.
Phone No. Internal	External

- 5. Site user permit from State of Washington for disposal of waste at Richland Washington Facility (if required).
- 6. Generator number from U.S. Ecology for disposal of waste at Richland Washington Facility (if required).
- 7. One (1) laborer to assist (as required) in packaging of waste.
  ONLY CNSI BROKER WILL ACTUALLY HANDLE RADIOACTIVE MATERIALS.
- 8. Local and long distance telephone service, at the Company facility for required business calls, associated with services being performed for Company by CNSI personnel.
- 9. Assistance in maintaining CNSI's personnel radiation exposure as low as reasonably achievable (ALARA). This assistance includes, but is not limited to, Company providing required radiation shielding to maintain low background radiation dose rates in the work area. In addition, shielding may be required to shield CNSI personnel from Company's operations and CNSI's packaging operations.

#### III. METHOD OF CONDUCT:

- A. Company shall advise CNSI two (2) weeks prior to the packaging service requirements in order that a mutually agreeable and efficient schedule is produced. CNSI will make every reasonable effort to comply with Company's schedule.
- B. All Packaging Services shall conform to applicable CNSI's packaging procedures and applicable Company procedures.
- C. CNSI's personnel time shall be in accordance with a reasonable work schedule mutually agreed to by Company and CNSI. CNSI's personnel normal work schedule is eight (8) hours per day plus Company authorized overtime. The work schedule shall not exceed twelve (12) hours per day unless authorized by CNSI.

- D. CNSI's personnel radiation exposure should be maintained by the Company at less than 1250 mRem per calendar quarter. Extensions beyond the 1250 mRem per calendar quarter shall have prior approval by CNSI's Project Director. If CNSI"s personnel reach the quarterly exposure limit while working at the Company's facility, the Company shall reimburse CNSI for that employee's lost time for the remaining days in the calendar quarter. Reimbursement shall be based on the percentage of exposure received at Company's facility and the current per day rate of Part IV A. below, plus travel and living expenses at cost.
- E. CNSI's packaging operations shall be performed under the scope of Company's facility operating license.

#### IV. COMPENSATION:

A. CNSI will perform the services as described in Attachment I\* for a fixed price of: \$ 2,650

\* To this Exhibit

\$ 450 per weekday

Should materials be provided by Company in addition to those listed in Attachment I to this Exhibit resulting in the need for additional equipment or supplies, or should circumstances beyond CNSI control require CNSI personnel to remain at Company's facility in excess of the time listed in Attachment I, the following charges shall apply:

#### 1. Personnel

For eight (8) hours of inspection, packaging review and certification services.

Two (2) days or less

Three (3) to Four (4) days Greater than Four (4) days	<pre>\$ 425 per weekday \$ 400 per weekday</pre>
Holidays or Weekends	\$ 525 per day
Additional hours beyond eight (8) hours in any day of service.	\$ 45 per hour
Travel hours, not to exceed sixteen (16) hours, to and from Company's Facility.	\$ 40 per hour
Travel, lodging and living expenses	At cost plus 15%

## 2. Equipment

- a. Equipment or supplies required to perform the work, either purchased or rented and the delivery of supplies shall be provided by CNSI and shall be billed to Company at invoiced cost plus a 20% management fee.
- B. CNSI shall invoice Company for the services provided herein at the completion of packaging evolution or bi-weekly, whichever is approached first.

## V. CONTRACT INTERPRETATION:

This Exhibit is part of the Contract referenced on the first page of this Exhibit and all General Terms and Conditions of this Contract are applicable to this Exhibit and to all services performed pursuant to this Contract.

CHEM-NUCLEAR SYSTEMS, INC. (CNSI)		UNION CARBIDE CORPORATION (Company)		
Ву: _		By:		
TITLE:	Stash Zdanuk Marketing Representative	TITLE: Purhany Agent		
DATE:	November 20, 1985	DATE:		

#### ATTACHMENT I

Description of services to be provided by CNSI at Union Carbide's UMETCO Facility, Niagara Falls, New York.

- 1. CNSI will provide services as described in Item I, Scope, for the following materials:
  - a. Approx. 1/2 lb Thorium Oxide Powder 4.5 mr/hr Est .0499 mcl
  - Approx. 2 lbs Thorium Nitrate Powder3.0 mr/hrEst .199 mci
  - c. Approx. 1 lb Thorium Chloride Powder
    2.5 mr/hr
    Est .099 mci
  - d. (4) 3 1/2" x 1 3/4" crucibles (fused Thorium Oxide)
  - e. (1) Alphatron Gauge, 5" x 1 1/4", open on one end 50 mr/hr @ 10 cm from opening Est 1.5 nci/gm (700 lbs cement)
  - f. 3" x 4" x 1/4" envelope containing radium 20 mr/hr surface, 3.5 mr/hr @ 10 cm Est 1.322 nci/gm (700 lbs cement)
- 2. CNSI will perform services in two (2) eight hour days.

#### ATTACHMENT II

#### 10. INDEMNIFICATIONS

CNSI shall defend, indemnify and save harmless Company, its employees and agents from and against any and all claims, suits, actions or proceedings, liabilities, losses, damages, fines, penalties and expense of every character whatsoever (including, but not limited to, liability for pollution, environmental damage or restoration, nuisance, bodily injury, sickness and/or disease, including death, and loss of or damage to property), which arise out of, or in connection with, CNSI's failure to comply with any of its obligations or representations appearing in the WHEREAS clauses or terms of this AGREEMENT, or the performance of the Work, or the Material after its receipt by CNSI and prior to its return to Company pursuant to Paragraph 3. hereof, and which are not caused, in whole or in part, by Company's failure to comply with any of its obligations or representations appearing in the WHEREAS clauses or terms of this AGREEMENT and/or the negligence of Company and/or any of Company's employees or agents; provided, however, that if any such suits, actions or proceedings are threatened or commenced, Company shall promptly notify CNSI in writing.

Company shall defend, indemnify and save harmless CNSI, its employees and agents from and against any and all claims, suits, actions, proceedings, liabilities, losses, damages, fines, penalties and expense of every character whatsoever (including, but not limited to, liability for pollution, environmental damage or restoration, nuisance, bodily injury, sickness and/or disease, including death, and loss of or damage to property), which arise out of, or in connection with, Company's failure to comply with any of its obligations or representations appearing in the WHEREAS clauses or terms of this AGREEMENT, and which are not caused, in whole or part, by CNSI's failure to comply with any of its obligations or representations appearing in the WHEREAS clauses or terms of this AGREEMENT and/or the negligence of CNSI and/or any of its employees, agents or subcontractors; provided, however, that if any such suits or proceedings are threatened or commenced, CNSI shall promptly notify Company in writing.



# UNION CARBIDE CORPORATION OLD RIDGEBURY ROAD DANBURY, CT 06817 Purchasing & Materials Services 1) Pepartment

December 31, 1985

Chemical Nuclear Systems, Inc. 135 Darling Drive Avon, Connecticut 06001

Attention: Mr. S. Zdanuk

Dear Stash:

Enclosed please find two signed copies of your Service and equipment Contract revised per our 12/19 Telecon. Please resign and return one copy to me.

Very truly yours,

J. W. Fahn

JWF:dwc 0712g

cc: Lee Evans (UMETCO, Niagara Falls, NY)

Enc.

## CHEM-NUCLEAR SYSTEMS, INC.

INVOICE NO.

60717 ...

#### **BILLING LOCATIONS**

☐ CORPORATE OFFICE 240 STONERIDGE DRIVE SUITE 100 COLUMBIA, SC 29210 (803) 256-0450

☑ BARNWELL OPERATIONS **OSBORN ROAD** HIWAY 64 / PO BOX 726 SNELLING S C 29812 (803) 259-1781

	Umetco Mineral	Cor	poratio		
s o	137 47th Street				
D	Niagara Falls,		14302		
0	ATTN Accour	nts P	ayable		

Corporation 14302

DIVISION AS# O #/CONTRACT # CUSTOMER . DATE 571 3-12-86 80-100343 SHIP VIA PROJECT # BARNWELL 48556 AMOUNT DESCRIPTION

For broker and packaging services performed on December 30 and 31, 1985. In accordance with CNSI contract number N-85-060 the following charges apply.

For (2) 8 hour days of inspection, packaging review and certification services.

Travel hours to and from UMETCO's Facility at \$40/hr Travel lodging and living expenses at cost plus 15%

900.00

320.00

480.85

Approved for Jugment Mannen 3/17/85

1,700.85

TERMS NET 30 DAYS, INVOICES NOT PAID WITHIN 30 DAYS ARE SUBJECT TO CHARGE OF 11/4% PER MONTH PLEASE MAKE ALL CHECKS PAYABLE TO

CHEM-NUCLEAR SYSTEMS, INC PO BOX 1478 COLUMBIA, SC 29202

CUSTO ER COPY

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